

**RI EOHHS Response to Comments: Proposed State Plan Amendment Nursing Facility Rate**

Summary of Comment	EOHHS Response
<p>RIGL 40-8-19 states that nursing facility rates will be adjusted by the change in the national nursing home inflation index to be applied on October 1st of each year, beginning October 1, 2012. Per the Testimony of the Executive Office of Health and Human Services for the November 2019 Caseload Estimating Conference, the inflation index was projected to be 3.6% on October 1st, 2020. EOHHS should follow statutory requirements and apply the full inflation index of 3.6%.</p> <p>A \$1.00 increase to the Rhode Island minimum wage, coupled with the financial implications of the COVID-19 pandemic, necessitate more than a 1% rate increase in order to sustain nursing homes' ability to provide care.</p>	<p>As directed in RIGL 40-8-19 and the Enacted SFY21 Budget, EOHHS increased the nursing facility rates by the national inflation index, specifically the CMS Skilled Nursing Facility Market Basket for a 2.4% increase, effective October 1, 2020</p> <p>The 1% referenced in the comment was the increase proposed in the Governor's FY21 Budget, which EOHHS posted for public comment in the event that the Governor's proposal was enacted in order to ensure the correct effective date. However, as the legislature did not enact the proposed change, no SPA has been, or will be, submitted to CMS. As a result, the increase applied October 1, will be the national inflation index, not the 1%.</p> <p>The 3.6% referenced in the comment appears to be from the EOHHS November 1, 2019 caseload testimony. EOHHS estimates the future impact of all rate changes, utilization changes, and enrollment changes twice a year in its caseload testimony. Assumptions stated in the testimony are assumptions based on the best information available at the time. The 3.6% was the inflation index for the most recent available market basket in November 2019. Since then two caseload conferences have been held. Based on the most recently available market basket in May 2020, EOHHS estimated the SFY 21 market basket increase to be 2.4%.</p>